HOUSE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A REVIEW ON THE EFFECT OF THE TRANSFER FROM MEDICAID TO PLANS ON THE HAWAII HEALTH CONNECTOR FOR NON-ELIGIBLE MEDICAID COMPACT OF FREE ASSOCIATION RESIDENTS.

WHEREAS, the United States, in the 1950s, conducted nuclear bomb testing within the Pacific region including sixty-seven nuclear atmospheric bomb tests in the Marshall Islands, which is equivalent to seven thousand two hundred Hiroshima bombs, spreading far reaching nuclear fallout; and

WHEREAS, the radiation levels in the area remain extremely high resulting in the Marshallese people suffering high rates of cancer and other radiation-related diseases and a significant number of migrants from the impacted island nations continue to suffer from radiogenic diseases, birth defects, and chronic illnesses which are directly tied to the nuclear testing; and

WHEREAS, in 1986, Congress passed the Compact of Free Association (COFA) with the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau, which is an agreement to provide economic assistance to the populations of these nations by allowing them to enter, reside, and work in the United States and to participate in certain federal programs such as Medicaid in exchange for the militarization and environmental degredation of their island homes; and

WHEREAS, Title 4 of the Personal Responsibility and Work and Opportunity Reconciliation Act of 1996, restricts access to federal public benefit programs and effectively limits COFA migrants from access to Medicaid, including making them ineligible for the expanded Medicaid benefits under the Affordable Care Act; and

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WHEREAS, effective March 1, 2015, coverage under the State's Medicaid managed care program terminated for certain adult noncitizen residents who are not pregnant, aged, blind, or disabled and who would otherwise be eligible for Medicaid except for citizenship or immigration status; and

WHEREAS, under the Affordable Care Act passed in 2010, COFA residents and other lawfully present noncitizens are eligible to purchase health insurance through the State's health insurance exchange, the Hawaii Health Connector, which will potentially save the State approximately \$27,000,000 per year by shifting costs to the Federal government; and

 WHEREAS, the shift of health care coverage to the Hawaii Health Connector will have a detrimental financial impact on affected individuals because Medicaid-ineligible noncitizens with incomes of less than one hundred percent of the federal poverty level may be required to pay premiums, deductibles, and copays and individuals with incomes between one hundred to one hundred thirty-eight percent of the federal poverty level may not qualify for the Premium Assistance Program; and

WHEREAS, the Department of Human Services estimates that, in Hawaii, there are approximately seven thousand five hundred non-pregnant, non-aged, non-blind, and non-disabled adult COFA noncitizens who currently receive Medicaid-like coverage and who will need to be transferred to the Hawaii Health Connector, and, additionally, there are approximately one thousand other non-pregnant, non-aged, non-blind, and non-disabled adult, lawfully present, noncitizen residents who are otherwise ineligible for Medicaid; and

WHEREAS, without full coverage of, and access to, medical services without copays and premiums, this population will suffer increases in mortality and morbidity rates while the amount of uncompensated care provided at community health centers could possibly grow to an unsustainable level; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-eighth Legislature of the State of Hawaii, Regular Session of 2015, the Senate concurring, that the Auditor is

requested to conduct a review of the effect on COFA migrants living in Hawaii of the transfer from Medicaid to plans purchased through the Hawaii Health Connector for the period of fiscal years 2015-2016 and 2016-2017; and

BE IT FURTHER RESOLVED that the Auditor is requested to include in the review the following:

(1) Determination of cost implications of the termination of full Medicaid benefits in terms of increased utilization of a higher level of medical and behavioral health services, including increased usage of emergency room services, increased utilization of 911 and EMS services, and increased dialysis utilization as reflected by utilization claims reviews;

(2) Investigation of increases in mortality and morbidity related to delayed treatment and barriers to timely care;

(3) Determination of costs of uncompensated care to community health centers, acute hospitals, out-patient surgery and treatment centers, urgent care centers, and other identified treatment centers that treat these identified populations; and

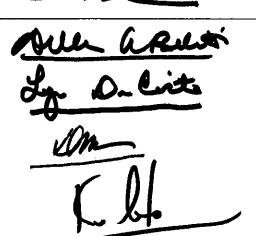
(4) Identification of any workable mechanisms for financing full payment of all premiums and co-pays for Medicaid ineligible non-citizens including redirecting a portion of the proposed \$27,000,000 in savings from the cessation of Medicaid benefits for health care coverage for identified populations and tapping into existing federal Compact Impact funding for all or part of the costs to COFA enrollees of obtaining health coverage through the Hawaii Health Connector; and

 BE IT FURTHER RESOLVED that the Auditor is requested to report findings and recommendations to the Legislature no later than twenty days before the convening of the Regular Session of 2017; and

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BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Office of the Auditor, Director of Health, and Director of Human Services.

OFFERED BY:



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